

Message Text

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ACTION ARA-14

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FM AMEMBASSY LIMA

TO SECSTATE WASHDC PRIORITY1520

INFO AMEMBASSY CARACAS

AMEMBASSY BOGOTA

AMEMBASSY QUITO

AMEMBASSY LA PAZ

AMEMBASSY SANTIAGO

AMEMBASSY BUENOS AIRES

AMEMBASSY BRASILIA

C O N F I D E N T I A L SECTION 1 OF 3 LIMA 7479

E.O. 11652: GDS

TAGS: PINT PE

SUBJ: THE CONSTITUENT ASSEMBLY, THE MILITARY GOVERNMENT AND
THE RETURN TO DEMOCRACY

SUMMARY. IN THE WEEKS SINCE THE JULY 28 INSTALLATION
OF THE CONSTITUTIONAL ASSEMBLY THE EUPHORIA SURROUNDING
THAT SIGNAL EVENT HAS RAPIDLY DISSIPATED AS THE OBSTACLES
ON PERU'S TRANSITIONAL ROAD TO DEMOCRATIC GOVERNMENT ONCE
AGAIN BECOME APPARENT. THE ASSEMBLY ITSELF HAS LOST
CONSIDERABLE PUBLIC FAVOR BY ENGAGING IN ENDLESS AND
FREQUENTLY IRRELEVANT DEBATE, WITH THE EXTREME LEFT
EFFECTIVELY USING THIS SOUNDING BOARD TO AGITATE ITS
WORKER AND CAMPESINO CONSTITUENCIES. SUCCESS IN FULFILLING
THE ASSEMBLY'S MANDATE WILL DEPEND ON CLOSE COOPERATION
BETWEEN APRA AND THE PPC, BUT DIFFICULT ISSUES IN THE
DRAFTING OF A NEW CONSTITUTION -- PARTICULARLY ON HOW
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THE PRESIDENT IS TO BE ELECTED -- MAY DIVIDE THEM.
MEANWHILE, THE EXPLOITATION OF THE ASSEMBLY AND OF PAR-
LIAMENTARY IMMUNITY BY EXTREMIST STRIKE LEADERS COULD
PROVOKE A DANGEROUS CONFRONTATION WITH THE GOP. OVER
THE LONGER TERM THE CRITICAL TEST OF THE DEMOCRATIZATION
PROCESS WILL COME IN THE INTERACTION BETWEEN THE DE FACTO
GOP'S ECONOMIC RECOVERY PROGRAM AND THE POLITICAL ROLE

OF THE ASSEMBLY. AN EARLIER TRANSITION TO ELECTED GOVERNMENT IS A SOLUTION TO THESE VARIOUS DILEMMAS ADVOCATED WITHIN THE MILITARY AND POLITICAL LEADERSHIP GROUPS. BUT ACCELERATION OF THE PROCESS COULD WELL JEOPARDIZE THE COUNTRY'S RECOVERY FROM ECONOMIC CRISIS. END SUMMARY.

1. AT A RECEPTION ON JULY 27 PRESIDENT MORALES BERMUDEZ REMARKED WITH CONSIDERABLE SATISFACTION TO THE AMBASSADOR AND A GROUP OF HIS COLLEAGUES DURING AN INFORMAL TALK THAT THE PROCESS OF RETURNING PERU TO CONSTITUTIONAL GOVERNMENT HAD SO FAR GONE ENTIRELY ACCORDING TO PLAN. MORALES BERMUDEZ NOTED THAT HE HAD BEEN UNDER CONSIDERABLE PRESSURE TO MOVE DIRECTLY TO GENERAL ELECTIONS BUT HAD INSISTED ON A PLAN OF "STAGES". HE THOUGHT EVENTS HAD JUSTIFIED HIS DECISION. THE PRESIDENT ALSO POINTED WITH PRIDE TO THE GENERALLY ACKNOWLEDGED FACT THAT THE ELECTIONS FOR THE CONSTITUTIONAL ASSEMBLY WERE CARRIED OUT IMPARTIALLY, HONESTLY AND FREELY. HE CONCLUDED BY ASSERTING THAT WITH THE ASSEMBLY ABOUT TO COME INTO BEING (THE NEXT DAY), HIS GOVERNMENT WOULD REMAIN IMPARTIAL AND APOLITICAL. THERE WOULD BE NO "POLITICAL MINISTERS" OR POLITICAL CONNECTIONS BETWEEN THE GOP AND A FAVORED PARTY OR PARTIES.

2. MORALES BERMUDEZ HAD REASON FOR SELF-CONGRATULATION. CONFIDENTIAL

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HE SUCCESSFULLY BROUGHT OFF THE ELECTION AGAINST THE HEAVY ODDS OF ECONOMIC CRISIS, ACUTE SOCIAL UNREST AND HARDLINE MILITARY OPPOSITION. AND IT WAS AN ELECTION, UNLIKE OTHERS, IN WHICH ALL POLITICAL GROUPS GOT A REASONABLE FAIR SHOT. THERE WERE NO OFFICIAL CANDIDATES, NO ONE WAS PROSCRIBED, THERE WAS NO MANIPULATION AND NO FRAUD. CERTAINLY THE RESULT, THE INSTALLATION OF THE ASSEMBLY FEATURING HAYA DE LA TORRE'S VISIONARY ELOQUENCE, WAS A BRIGHT MOMENT IN THE HISTORY OF CONTEMPORARY PERU. BUT THE PRESIDENT WAS CONCENTRATING ON THE FIRST STAGE OF HIS SCHEME; THE QUESTION NOW IS CAN THE NEXT TWO -- THE WRITING OF A NEW CONSTITUTION AND THE HOLDING OF GENERAL ELECTIONS -- BE CARRIED OUT WITH COMPARABLE SUCCESS? ALREADY, ONLY A FEW WEEKS LATER, THE GENERAL SENSE OF OPTIMISM AND CONFIDENCE THE PRESIDENT REFLECTED IS FADING AS THE COUNTRY AGAIN FACES UP TO THE CRISIS OF A CRIPPLED ECONOMY, SPREADING STRIKES AND BITTER POLITICAL CONFLICT. THIS TELEGRAM OFFERS PRELIMINARY ANALYSIS OF SOME OF THE KEY FACTORS THAT WILL COME INTO PLAY AT THE OPENING OF THE SECOND STAGE: (A) THE LINE-UP IN THE ASSEMBLY AND THE ISSUES IN THE WRITING OF THE NEW CONSTITUTION; (B) THE ROLE OF THE LEFT, PARTICU-

LARLY THE EXTREME LEFT, IN AND OUT OF THE ASSEMBLY; AND
(C) THE RELATIONSHIP BETWEEN THE ASSEMBLY AND THE GOP.

ASSEMBLY LINEUP AND ISSUES

3. THE RECORD ESTABLISHED BY THE ASSEMBLY IN ITS FIRST
THREE WEEKS HAS NOT BEEN ENCOURAGING TO THOSE WHO HOPED
FOR AN ORDERLY AND ACCELERATED TRANSITION TO CONSTITU-
TIONAL GOVERNMENT. THE DEBATE OVER THE RULES OF PROCE-
DURE HAS BEEN PROTRACTED AND ACRID, WITH LENGTHY
DIGRESSIONS INTO THE QUARRELS OF PERU'S POLITICAL PAST
THE ORDER OF THE DAY (AND THE NIGHT). UNDERLYING ALL
THE TALK IS THE FUNDAMENTAL ISSUE OF ARTICLE 3 OF THE
RULES (ONE OF FOUR ARTICLES STILL TO BE APPROVED); I.E.,
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WHAT ARE THE OBJECTIVES THE ASSEMBLY ITSELF SHOULD
SERVE? APRA AND THE PPC WANT TO HOLD AS CLOSELY AS
POSSIBLE TO THE GOP'S MANDATE, TO WRITE A CONSTITUTION
AND CONVOKE ELECTIONS. THEY ARE RELUCTANT TO ENTERTAIN
PROPOSALS TO EXPAND THE FUNCTIONS AND ATTRIBUTES OF THE
ASSEMBLY, RECOGNIZING THAT RESPONSIBILITY WITHOUT
EFFECTIVE AUTHORITY CAN ONLY BE A TRAP FOR THE MODERATE
MAJORITY. THEY ESSENTIALLY ACCEPT THE GOP'S PHASED
PLAN AS PROVIDING A WORKABLE SCHEME FOR DEMOCRATIC
TRANSITION. THE LEFT IS MUCH LESS INTERESTED IN CON-
STITUTION-MAKING AND, TO VARYING DEGREES AMONG THE
FACTIONS, SEEKS A BROADER ROLE FOR THE ASSEMBLY. ALL
ON THE LEFT SEE THIS FIRST ELECTED BODY IN 10 YEARS AS
BASICALLY AN INSTRUMENT OF POLITICIZATION -- THE MEANS
TO REACH AND AROUSE THE PEOPLE.

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4. HAYA DE LA TORRE AND APRA FIND THEMSELVES ALLIED WITH THE PPC AND THE SMALL PARTIES OF THE RIGHT ON THIS ISSUE. BUT APRA CONTINUES TO INSIST THAT IT WILL MAINTAIN FREEDOM OF ACTION AND ENTER INTO NO FORMAL WORKING ARRANGEMENTS ON EITHER THE RIGHT OR THE LEFT. YET IT IS DIFFICULT TO FORESEE THE ASSEMBLY FUNCTIONING SUCCESSFULLY WITHOUT CLOSE COOPERATION BETWEEN APRA AND THE PPC. THE FORMER'S 37 SEATS ARE NOT ENOUGH ALONE, AND, ALTHOUGH THERE MAY BE OPPORTUNITIES FOR BARGAINS WITH ELEMENTS OF THE LEFT ON SOME SPECIFIC ISSUES, THE SHAPING OF A WORKABLE CONSTITUTION (ACCEPTABLE TO THE MIDDLE CLASS AND THE MILITARY) WILL DEPEND ON PPC SUPPORT. COMPLICATING THE PROCESS ARE THE CONFLICTING PRESIDENTIAL AMBITIONS OF BEDOYA AND HAYA WITHIN THE ASSEMBLY AND BELAUNDE WITHOUT.

5. DESPITE THE GENERALLY COMMON OBJECTIVES OF THE TWO
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PARTIES, THERE ARE A NUMBER OF ISSUES THAT HOLD THE PROSPECT FOR PPC-APRA CONFLICT IN THE DRAFTING OF THE NEW CONSTITUTION.

-- ELECTION OF THE PRESIDENT. WHETHER OR NOT HAYA FINALLY DECIDED TO RUN -- AND AT THE MOMENT THE ODDS FAVOR AN AFFIRMATIVE DECISION -- HIS PARTY IS INTENT ON ELECTING AN APRISTA PRESIDENT. THE BEST CHANCE FOR THAT, GIVEN APRA'S "AUTOMATIC" THIRD OF THE POPULAR VOTE AND THE HISTORIC HOSTILITY OF THE REMAINING POLITICAL FORCES, WOULD SEEM TO BE THE SYSTEM ESTABLISHED BY THE EXISTING CONSTITUTION: I.E., ELECTION BY A PLURALITY AS LONG AS THE CANDIDATE RECEIVES AT LEAST ONE-THIRD OF THE VOTE. THE PPC AND THE SMALL RIGHTIST PARTIES, HOPING TO BLOCK APRA, CONCERNED BY THE GROWTH OF THE LEFT AND RECALLING THE CHILEAN CATASTROPHE, STRONGLY FAVOR A SECOND ROUND IF NO CANDIDATE RECEIVES A MAJORITY OF THE POPULAR VOTE.

-- THE VICE PRESIDENCY. THE EXISTING CONSTITUTION CALLS FOR THE AUTOMATIC SUCCESSION OF THE FIRST VICE PRESIDENT IN THE EVENT OF THE DEATH OR INCAPACITY OF THE PRESIDENT. THIS WOULD PARTICULARLY SUIT APRA IF HAYA (AT THE AGE OF 83) IS TO BE THE CANDIDATE -- PRESUMABLY WITH VILLANUEVA AS HIS RUNNING MATE. THE PPC POSITION WOULD THEN PERHAPS DEPEND ON BEDOYA'S CALCULATIONS AS TO WHO WILL HEAD THE APRA TICKET.

-- THE FUTURE OF THE DAILY PRESS. APRA -- OR AT LEAST VILLANUEVA -- IS ON RECORD AS IN FAVOR OF TURNING THE NEWSPAPERS OVER TO THE "WORKERS". THE PPC ADVOCATES RETURNING THEM TO THEIR FORMER OWNERS. THE GOP TRIED TO SOLVE THIS STICKY PROBLEM WITH ITS NEW PRESS LAW, BUT
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THAT LOOKS MORE AND MORE LIKE A DEAD LETTER. THIS MIGHT BE AN ISSUE ON WHICH APRA AND THE LEFT WOULD JOIN FORCES.

-- THE ILLITERATE VOTE. HAYA ENDORSED THE FRANCHISE FOR ILLITERATES IN HIS JULY 28 INAUGURAL SPEECH. THE PPC IS OPPOSED. A COMPROMISE MAY BE POSSIBLE (E.G., THE VOTE ONLY FOR ILLITERATES OVER 40), BUT THE LEFT WILL MAKE IT VERY DIFFICULT FOR APRA TO WAFFLE ON THIS ONE. IT SHOULD BE NOTED THAT THE ISSUE HAS BEEN AROUND AS LONG AS PERU HAS BEEN A REPUBLIC.

-- HAYA'S PET PROPOSALS. THE OLD MAN IS STILL ATTACHED TO THE NOTION THAT PERU SHOULD BE DEFINED AS A NATION-STATE OF "MANUAL AND INTELLECTUAL WORKERS" AND TO THE IDEA THAT ITS GOVERNMENT SHOULD INCLUDE A SPECIAL "ECONOMIC CONGRESS". THE PPC OPPOSES BOTH. COMPROMISE HERE, AS IN APRA'S TRADITIONAL OPPOSITION TO A STRONG PRESIDENCY (WHICH THE PPC ADVOCATES), MAY BE POSSIBLE.

THE ROLE OF THE LEFT

6. THE MOST DRAMATIC FEATURE OF PERU'S NEW POLITICAL EVOLUTION SO FAR HAS BEEN THE EMERGENCE OF AN EXTREME LEFT WITH SIGNIFICANT POPULAR FOLLOWING. THE LEFT "BANK" IN THE ASSEMBLY INCLUDES THE FAMILIAR REPRESENTATIVES OF THE TRADITIONAL PARTIES AND THE "FIRST PHASE" (PCP, PDC AND PSR), BUT IT IS THE TROTSKYITES, MAOISTS AND THE LIKE WHO ARE SETTING THE PACE. FOCEP'S GENARO LEDESMA IS THE KEY LEADER OF THE LEFT IN THE ASSEMBLY -- AND, IT IS SAFE TO SAY, HUGO BLANCO IS CURRENTLY PERU'S NUMBER ONE CELEBRITY. THE CRITICAL INTEREST OF THESE MEN (AND ONE WOMAN, MAGDA BENAVIDES) IS IN BUILDING AND RADICALIZING THEIR CONSTITUENCIES. AND THESE CONSTITUENCIES ARE IN

THE LABOR AND CAMPESINO MOVEMENTS WHERE INFLATION,
AUSTERITY AND UNEMPLOYMENT HAVE AROUSED STRONG OPPOSITION
TO THE GOP. OBSERVERS HERE DISAGREE ON THE ULTIMATE OB-
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JECTIVES OF THE EXTREME LEFT IN THE ASSEMBLY -- AND
OBVIOUSLY THESE VARY BETWEEN PARTIES AND AMONG FACTIONS.
BUT THE QUESTION IS PROBABLY IMMATERIAL FOR PRACTICAL
PURPOSES. WHETHER THE CONSTITUENCIES ARE BEING BUILT
WITH A VIEW TO ELECTIONS OR "REVOLUTION" IS NOT LIKELY
TO AFFECT EITHER TACTICS OR RHETORIC IN PERU'S CURRENT
MOOD.

7. THE LEFT'S 30 SEATS IN THE ASSEMBLY DO NOT REPRESENT
A VERY POTENT VOTING FORCE ON SUBSTANTIVE ISSUES. THE
TWO CENTRIST PARTIES HAVE THE MAJORITY, AND THE LEFT IS
HANDICAPPED BY IDEOLOGICAL DIVISIONS AND THE CLASH OF
PERSONALISTIC AMBITIONS. BUT THE ASSEMBLY IS AN EFFEC-
TIVE SOUNDING BOARD, EVEN THOUGH HAYA AND THE PPC HAVE
SO FAR SUCCESSFULLY RESISTED PROPOSALS FOR EXTENSIVE
TELEVISION AND RADIO COVERAGE OF ITS PROCEEDINGS.
(LEDESMA AND COMPANY HAVE TAKEN TO TAPING THEIR INTER-
VENTIONS OF THE ASSEMBLY FOR LATER REPLAY AT MEETINGS
IN THEIR MINING AND CAMPESINO STRONGHOLDS.) THE LEFT
IS MAKING FULL USE OF THIS OPPORTUNITY TO ADVANCE RADI-
CAL SOLUTIONS TO PERU'S PRESSING PROBLEMS. (E.G., RE-
PUDIATION OF FOREIGN DEBT CONTRACTED BY THE
"ILLEGITIMATE" MILITARY GOVERNMENT) AND TO PUT THE GOP
ON PUBLIC TRIAL, AS IN THE FOCEP INITIATIVE APPROVED BY
THE ASSEMBLY TO ESTABLISH COMMISSIONS FOR THE INVESTIGA-
TION OF PAST HUMAN RIGHTS VIOLATIONS AND GOVERNMENTAL
CORRUPTION. ABOVE ALL, THE ASSEMBLY PROVIDES ITS MEMBERS
OF THE LEFT WITH INVALUABLE IMMUNITY AND PRESTIGE IN
PURSUING SUCH OUTSIDE ACTIVITIES AS LEADING STRIKES AND
DEMONSTRATIONS. THE QUESTION ARISES AS TO HOW FAR THESE
ADVANTAGES CAN BE PUSHED BEFORE THE MILITARY'S LEVEL OF
TOLERANCE IS BREACHED. ALREADY THERE IS OMINOUS TALK
IN THE GOP OF SOMEHOW LIMITING THE IMMUNITY THE
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ASSEMBLYMEN ENJOY.

RELATIONS BETWEEN THE GOP AND THE ASSEMBLY

8. THE CRUCIAL ELEMENT IN THE DEMOCRATIZATION PROCESS IS
THE INTERPLAY BETWEEN THE ECONOMIC RECOVERY PROGRAM OF

THE DE FACTO GOP AND THE POLITICAL ROLE OF THE ASSEMBLY.
THE MORALES BERMUDEZ SCHEME, DEVELOPED WITH MILITARY
PRECISION, CALLS FOR COMPLETELY DISTINCT FUNCTIONS --
THE GOP PURSUES ECONOMIC RECOVERY WHILE THE ASSEMBLY
DRAFTS A NEW CONSTITUTION -- WITH THE TWO NEATLY CON-
VERGING IN 1980. IT IS INCREASINGLY APPARENT, HOWEVER,
THAT IN PRACTICE NOT ONLY WILL THE FUNCTIONS OVERLAP,
BUT THE TIMING MAY WELL GET SERIOUSLY OUT OF PHASE.

9. THERE WAS NEVER ANY REAL EXPECTATION THAT THE
ASSEMBLY COULD REMAIN ISOLATED FROM THE COUNTRY'S CURRENT
PROBLEMS. BUT THE GOP HAS HOPED TO MINIMIZE THE ASSEMBLY'S
POLITICAL ROLE BY PREEMPTIVE ACTION ON THE MORE CONTEN-
TIOUS ISSUES (THE AUSTERITY PACKAGE, THE TEACHERS'
STRIKE, THE PRESS LAW) AND BY HOLDING OUT THE PROSPECT
OF AN ACCELERATED ELECTORAL SCHEDULE IF THE ASSEMBLY GOT
DOWN TO WORK AND DRAFTED A NEW CONSTITUTION (AS PRIME
MINISTER MOLINA DID IN HIS SPEECH OF AUGUST 18). BUT
THE CURRENT MINERS' STRIKE DEMONSTRATES HOW EVENTS (AND
THE LEFT) FORCE THE ASSEMBLY INTO TERRITORY THE TRANSI-
TION SCHEME WOULD HAVE RESERVED FOR THE GOP. THE
STRIKE IS IN EFFECT LED BY ASSEMBLYMEN, AND WHEN THE GOP
DECLARED IT ILLEGAL, FOCEP'S LEDESMA RESPONDED FROM THE
ASSEMBLY FLOOR THAT SUCH DECLARATION WAS CLEARLY INVALID
SINCE THE GOVERNMENT ITSELF IS ILLEGAL.

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10. MORALES BERMUDEZ AND HIS ADVISORS HAVE CONTEMPLATED EXTENDING THE ASSEMBLY'S FUNCTIONS IN RESPONSE TO THIS SITUATION -- PERHAPS BY GRANTING IT SOME FORMAL ROLE IN THE PREPARATION AND APPROVAL OF DECREE-LAWS. BUT THE ASSEMBLY, JEALOUS OF ITS SOVEREIGNTY AND ABSOLUTE INDEPENDENCE, WOULD BE UNLIKELY TO ACCEPT ANY SUCH GIFTS FROM THE GOP. FOR THEIR PART, HAYA AND BEDOYA ARE WARY OF ANY ATTEMPT BY THE GOVERNMENT TO SHIFT RESPONSIBILITY FOR LABOR DISPUTES IN PARTICULAR TO THE ASSEMBLY. ON THE OTHER HAND, REPRESSIVE GOP ACTION TO PUT AN END TO THE STRIKES MIGHT WELL BRING A CONFRONTATION WITH THE ASSEMBLY.

11. THIS CONTINUING TENSION AND INHERENT INSTABILITY IN THE RELATIONSHIP BETWEEN THE TWO BODIES CASTS DOUBT ON WHETHER THE TRANSITION ARRANGEMENT CAN HOLD UP WHILE THE COUNTRY GRADUALLY MOVES TOWARD ELECTIONS TWO YEARS HENCE. IN AND OUT OF THE GOVERNMENT THERE IS GROWING SENTIMENT FOR PUTTING THE GENERAL ELECTIONS FORWARD TO EARLY OR MID-1979 -- IF THE ASSEMBLY CAN GET UNTRACKED ON ITS CONSTITUTION-WRITING CHORES. BUT MINISTER OF ECONOMY SILVA RUETE INSISTS THAT HE NEEDS TWO YEARS TO STABILIZE PERU'S FINANCES AND LAY THE FOUNDATION FOR ECONOMIC RECOVERY. AS IT IS, THE GOP WILL FIND IT EXCEEDINGLY DIFFICULT TO HOLD THE LINE ON ITS AUSTERITY PROGRAM. THE PROSPECT OF AN ELECTION CAMPAIGN EARLY NEXT YEAR WOULD MAKE THAT EFFORT EVEN MORE PROBLEMATIC AND COULD COMPLICATE NEGOTIATIONS WITH THE PRIVATE BANKS, AS WELL AS ADDING A LARGE NEW DOSE OF UNCERTAINTY TO WHAT IS ALREADY AN UNCERTAIN SITUATION FOR THE PRIVATE SECTOR. FINALLY, THERE IS STILL THE QUESTION OF WHETHER THE MILITARY WILL IN THE FINAL ANALYSIS BE PREPARED TO TURN OVER POWER IN 1979, A YEAR OF GREAT HISTORICAL SENSITIVITY.

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CONCLUSION

12. THE VERY EXISTENCE OF THE CONSTITUTIONAL ASSEMBLY IS TO A DEGREE A GUARANTEE FOR THE TRANSITIONAL PROCESS; AT THE SAME TIME IT COULD BECOME A THREAT TO THAT PROCESS. AT THIS POINT THE ASSEMBLY IS IN A POSITION TO SHAPE THE PROCESS AND PROBABLY TO DETERMINE ITS TIMING. BUT IF AGITATION AND POLITICAL RECRIMINATION ARE TO DOMINATE ITS PROCEEDINGS -- AND IF STRIKES AND SOCIAL UNREST PUSH THE MILITARY TOO FAR -- THE PROCESS ITSELF COULD END ABRUPTLY. ENRIQUE SILERI ASKED WITH REASON IN THIS

WEEKS'S CARETAS WHETHER IT IS A PINOCHETAZO THE EXTREME
LEFT IS SEEKING.

13. IT MAY BE THAT HAYA AND THE MAJORITY, AIDED BY
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INCREASINGLY EXPLICIT REFERENCES IN THE MEDIA TO THE
THREAT OF MILITARY INTERVENTION, WILL BE ABLE TO IMPOSE
ON THE ASSEMBLY A DEGREE OF DISCIPLINE AND ATTENTION TO
THE BUSINESS AT HAND. THIS WOULD EASE THE TENSIONS
BETWEEN THE ASSEMBLY AND THE GOP, EACH OF WHICH NEEDS
THE OTHER IN PERU'S CURRENT POLITICAL CIRCUMSTANCES.
HOWEVER, THE PROBLEM OF MAINTAINING AUSTERITY AND PUR-
SUING ECONOMIC STABILIZATION IN AN AGITATED AND RAPIDLY
CHANGING POLITICAL ENVIRONMENT WILL REMAIN. FINALLY,
THERE IS THE QUESTION THAT HAS SO PREOCCUPIED MORALES
BERMUDEZ: WILL THE CIVILIAN GOVERNMENT THAT IS TO
COME TAKE OVER A COUNTRY WITH A SUFFICIENTLY HEALTHY
ECONOMY TO SUPPORT A DEMOCRATIC ORDER? MORE THAN A
FEW PERUVIANS HAVE TAKEN TO RECALLING THE LANUSSE
FIASCO IN RECENT WEEKS. SHLAUDEMAM

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